

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

)	
In re:)	Chapter 11
)	
W.R. GRACE & CO., <u>et al.</u>,)	Case No. 01-1139 (JKF)
)	
Debtors.)	Objection Deadline: September 12, 2008 at 4:00 p.m.
)	Hearing: September 29, 2008 at 1:00 p.m.

**COVER SHEET TO NINTH QUARTERLY APPLICATION OF
ORRICK, HERRINGTON & SUTCLIFFE LLP, BANKRUPTCY COUNSEL
TO DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
JANUARY 1, 2008 THROUGH MARCH 31, 2008**

Name of Applicant:	Orrick, Herrington & Sutcliffe LLP
Authorized to Provide Professional Services to:	David T. Austern, Future Claimants' Representative (the "FCR")
Date of Retention:	As of February 6, 2006 (pursuant to this Court's Order entered May 8, 2006)
Period for which compensation is sought:	January 1, 2008 through March 31, 2008
Amount of Compensation (100%) sought as actual, reasonable, and necessary:	\$2,834,348.75
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$ 436,062.97
This is an:	<u> X </u> interim <u> </u> monthly <u> </u> final application.

PRIOR APPLICATIONS FILED

Orrick was retained effective February 6, 2006, pursuant to this Court's Order entered May 8, 2006. Orrick has previously filed the following quarterly fee applications:

- a. First Quarterly Fee Application for the time period February 6, 2006 through March 31, 2006 in the amount of \$206,292.25 in fees and \$7,501.32 in expenses, for a total of \$213,793.57.
- b. Second Quarterly Fee Application for the time period April 1, 2006 through June 30, 2006 in the amount of \$456,045.25 in fees and \$14,568.92 in expenses, for a total of \$470,614.17.
- c. Third Quarterly Fee Application for the time period July 1, 2006 through September 30, 2006 in the amount of \$558,019.75 in fees and \$25,651.67 in expenses, for a total of \$583,671.42
- d. Fourth Quarterly Fee Application for the time period October 1, 2006 through December 31, 2006 in the amount of \$841,070.00 in fees and \$98,378.95 in expenses, for a total of \$ 939,448.95.
- e. Fifth Quarterly Fee Application for the time period January 1, 2007 through March 31, 2007 in the amount of \$1,098,668.00 in fees and \$57,670.14 in expenses, for a total of \$1,156,338.14.
- f. Sixth Quarterly Fee Application for the time period April 1, 2007 through June 30, 2007 in the amount of \$1,021,931.50 in fees and \$168,071.15 in expenses for a total of \$1,190,002.65.
- g. Seventh Quarterly Fee Application for the time period July 1, 2007 through September 30, 2007 in the amount of \$1,318,928.25 in fees and \$506,330.27 in expenses for a total of \$1,825,258.52.
- h. Eighth Quarterly Fee Application for the time period October 1, 2007 through December 31, 2007 in the amount of \$2,577,801.25 in fees and \$276,906.50 in expenses for a total of \$2,854,707.75.

COMPENSATION SUMMARY
JANUARY 1, 2008 THROUGH MARCH 31, 2008

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
John Ansbro	Partner, 4 years in position; 13 years relevant experience; 1995, Litigation	\$690	519.00	\$336,306.00 ¹
Stephen G. Foresta	Partner, 11 years in position; 21 years relevant experience; 1987, Litigation	\$825	15.40	\$12,705.00
Roger Frankel	Partner, 25 years in position; 37 years relevant experience; 1971, Bankruptcy	\$875	421.70	\$359,362.50 ²
Jonathan P. Guy	Partner, 8 years in position; 15 years relevant experience; 1993, Bankruptcy	\$720	11.50	\$8,280.00
Robert F. Lawrence	Partner, 10 years in position; 24 years relevant experience 1983, Environmental Law	\$715	26.90	\$19,233.50
Raymond G. Mullady, Jr.	Partner, 15 years in position; 25 years relevant experience; 1983, Litigation	\$710	476.40	\$331,818.50 ³
Jay K. Musoff	Partner, 4 years in position; 15 years relevant experience 1993, Litigation	\$720	.30	\$216.00
John Narducci	Partner, 12 years in position; 20 years relevant experience; 1988, Tax	\$810	.20	\$162.00
Garret G. Rasmussen	Partner, 26 years in position; 34 years relevant experience; 1974, Litigation	\$800	198.80	\$159,040.00
Clayton S. Reynolds	Partner, 21 years in position; 29 years relevant experience 1979, Tax	\$800	24.10	\$19,280.00
Scott A. Stengel	Partner, 4 years in position; 12 years relevant experience; 1996, Bankruptcy	\$690	66.50	\$45,885.00

¹ This amount reflects a reduction of \$7,624.50 (January 2008), \$7,831.50 (February 2008), and \$6,348.00 (March 2008) representing a 50% discount of hourly rates for non-working travel.

² This amount reflects a reduction of \$3,631.25 (January 2008), \$1,531.25 (February 2008), and \$4,462.50 (March 2008) representing a 50% discount of hourly rates for non-working travel.

³ This amount reflects a reduction of \$3,585.50 (January 2008), \$887.50 (February 2008), and \$1,952.50 (March 2008) representing a 50% discount of hourly rates for non-working travel.

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Richard H. Wyron	Partner, 19 years in position; 29 years relevant experience; 1979, Bankruptcy	\$775	177.00	\$130,393.75 ⁴
Mary A. Wallace	Of Counsel, 6 years in position; 18 years relevant experience; 1989, Corporate	\$620	122.80	\$76,136.00
Christopher A. Britt	Associate, 10 months in position; 10 months relevant experience; 2007, Litigation	\$340	5.10	\$1,734.00
Stephanie M. Cowles	Associate, 9 months in position; 9 months relevant experience; 2008, Litigation	\$340	32.70	\$11,118.00
Joshua M. Cutler	Associate, 5 years in position; 5 years relevant experience; 2003, Litigation	\$500	238.30	\$113,750.00 ⁵
Debra L. Felder	Associate, 6 years in position; 6 years relevant experience; 2002, Bankruptcy	\$530	342.10	\$178,265.50 ⁶
Alexandra G. Freidberg	Associate, 9 months in position; 9 months relevant experience; 2007, Environmental	\$340	14.00	\$4,760.00
Nicole M. Jones	Associate, 2 years in position; 2 years relevant experience; 2006, Litigation	\$400	75.40	\$30,160.00
Antony P. Kim	Associate, 5 years in position; 5 years relevant experience; 2003, Litigation	\$500	420.50	\$207,750.00 ⁷

4 This amount reflects a reduction of \$1,937.50 (January 2008), \$1,937.50 (February 2008), and \$2,906.25 (March 2008) representing a 50% discount of hourly rates for non-working travel.

5 This amount reflects a reduction of \$3,300.00 (January 2008) and \$2,100.00 (March 2008) representing a 50% discount of hourly rates for non-working travel.

6 This amount reflects a reduction of \$1,987.50 (February 2008) and \$1,060.00 (March 2008) representing a 50% discount of hourly rates for non-working travel.

7 This amount reflects a reduction of \$1,000.00 (January 2008) and \$1,500.00 (March 2008) representing a 50% discount of hourly rates for non-working travel.

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Katherine E. Maco	Associate, 2 months in position; 2 months relevant experience; 2008, Litigation	\$340	228.00	\$77,520.00
Christopher O'Connell	Associate, 5 years in position; 5 years relevant experience; 2003, Litigation	\$470	222.70	\$104,669.00
John C. Pitts	Associate, 8 months in position; 8 months relevant experience; 2008, Litigation	\$340	194.60	\$65,654.00 ⁸
Emily S. Somers	Associate, 2 years in position; 2 years relevant experience; 2006, Litigation	\$400	148.10	\$59,240.00
Katherine S. Thomas	Associate, 4 years in position; 4 years relevant experience; 2004, Bankruptcy	\$470	129.80	\$61,006.00
Annie L. Weiss	Associate, 4 years in position; 4 years relevant experience; 2004, Litigation	\$430	246.50	\$112,588.50 ⁹
Catharine L. Zurbrugg	Associate, 3 years in position; 3 years relevant experience; 2005, Litigation	\$440	163.60	\$70,444.00 ¹⁰
Rachael M. Barainca	Legal Assistant	\$160	131.10	\$20,858.00
James Cangialosi	Legal Assistant	\$260	405.00	\$103,870.00 ¹¹
Aaron Cohen	Legal Assistant	\$160	2.50	\$400.00
Debra O. Fullem	Bankruptcy Research Specialist	\$245	80.00	\$19,600.00
Aurora M. Hamilton	Legal Assistant	\$220	.50	\$110.00
Saira Hosein	Legal Assistant	\$230	3.00	\$690.00
Timothy J. Hoye	Practice Support Project Coordinator	\$210	63.20	\$13,272.00
Karen M. Jewell	Legal Assistant	\$150	11.30	\$1,695.00
Dmitry Iofe	Practice Support Project Tech.	\$205	1.00	\$205.00
Thomas Kim	Legal Assistant	\$195	34.00	\$6,630.00
Risa L. Mulligan	Research Coordinator	\$180	4.00	\$720.00

8 This amount reflects a reduction of \$510.00 (March 2008) representing a 50% discount of hourly rates for non-working travel.

9 This amount reflects a reduction of \$1,856.50 (January 2008) and \$1,410.00 (March 2008) representing a 50% discount of hourly rates for non-working travel.

10 This amount reflects a reduction of \$1,540.00 (January 2008) representing a 50% discount of hourly rates for non-working travel.

11 This amount reflects a reduction of \$1,170.00 (January 2008) and \$260.00 (March 2008) representing a 50% discount of hourly rates for non-working travel.

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Linda Pietrofere	Senior Legal Assistant	\$230	31.50	\$7,245.00
Thomas Ryan	Trial Technologist	\$205	250.50	\$49,507.50 ¹²
Aaron R. Thorp	Practice Support Project Coordinator	\$210	13.40	\$2,814.00
Elizabeth Y. Walker	Senior Legal Assistant	\$240	30.50	\$7,320.00
Logan West	Legal Assistant	\$90	21.50	\$1,935.00
Total			5,605.00	\$2,834,348.75
Blended Rate: \$505.68				

COMPENSATION BY PROJECT CATEGORY
JANUARY 1, 2008 THROUGH MARCH 31, 2008

<u>Project Category</u>	<u>Total Hours</u>	<u>Total Fees</u>
Case Administration	16.90	\$2,874.50
Compensation of Professionals-Orrick	95.60	\$23,023.50
Compensation of Professionals-Other	24.70	\$7,170.50
Due Diligence	.60	\$525.00
Insurance	19.70	\$16,467.50
Litigation	4,510.10	\$2,257,680.00
Retention of Professionals-Others	24.20	\$9,531.00
Plan & Disclosure Statement	696.40	\$452,902.00
Travel Time (Non-Working)	216.80	\$64,174.75
TOTAL	5,605.00	\$2,834,348.75

¹² This amount reflects a reduction of \$922.50 (January 2008) and \$922.50 (March 2008) representing a 50% discount of hourly rates for non-working travel.

EXPENSE SUMMARY
JANUARY 1, 2008 THROUGH MARCH 31, 2008

<u>Expense Category</u>	<u>Total</u>
Color Copies	\$868.75
Court Call-Conferencing Services	\$301.50
DeskSite-Services for Presentations	\$195.00
Document Retrieval Services (Document Technologies, Parcels and Specialized Legal Services, Inc.)	\$1,490.35
Duplicating	\$12,562.10
Expert Invoices	\$247,270.60
Expert Related Materials (Books and Articles)	\$286.00
Litigation Support (Lease work space in Pittsburgh for trial)	\$1,514.24
Litigation Trial Related Expenses	\$12,697.05
Meals	\$6,665.50 ¹³
Pacer	\$7,242.19
Parking	\$383.75
Postage/Express Delivery	\$13,568.90
Secretarial Overtime	\$400.40
Telephone	\$309.55
Travel – Airfare/Train/Hotel	\$81,685.61 ¹⁴
Travel – Mileage	\$2,749.27
Travel – Taxi	\$7,738.22
Westlaw and Lexis Research	\$25,116.51
Williams Lea Inc.	\$13,017.48
TOTAL	\$436,062.97

13 The total meal charge summaries relating to Orrick's monthly interim fee applications have changed based on new guidelines issued by the fee auditor, retroactive to January 1, 2008, as follows: in NY and London, \$35/breakfast; \$45/lunch; and \$65/dinner and in all other locations \$25/breakfast; \$35/lunch; and \$55/dinner. Orrick's previous monthly summaries were prepared in accordance with the fee auditor's prior guidelines, and reflected reductions of \$1,459.70 (January 2008), \$26.64 (February 2008) and \$412.43 (March 2008). The updated summaries, prepared in accordance with the fee auditor's new guidelines, now reflect a reduction of \$1,212.23 (January 2008), \$12.54 (February 2008) and \$247.50 (March 2008). Thus, the total reduction as set forth above is \$1,482.27.

14 The total hotel charges reflects a reduction of \$39.00 for certain hotel expenses that exceed the fee auditor's new guidelines for hotel rate caps and/or hotel star ratings.

Orrick's Client Charges and Disbursements Policy effective January 1, 2008, are as follows:

- a. **Duplicating** -- It is Orrick's practice to charge all clients of the Firm for duplicating at the in-house rate of 20¢ per page; however, Orrick has reduced the duplicating cost to 10¢ per page in order to comply with the Local Rules of this Court. This charge includes the cost of maintaining the duplicating facilities and the actual cost involved with respect to the duplication.
- b. **Long Distance Telephone and Facsimile Charges** -- Orrick charges clients for long distance telephone calls but not for local telephone calls. Necessary mobile phone usage is reimbursed to professionals submitting an appropriate bill. Out-going facsimile transmissions are charged at \$1.50 per page, plus any long-distance calling cost, and there is no charge for incoming facsimiles.
- c. **Messenger and Courier Service** -- It is Orrick's practice to use Federal Express or similar express mail delivery and third-party messenger services only in exigent circumstances (i.e., when needed to meet a deadline or when a next-day response from the recipient was necessary or beneficial to the case) and only when less costly than other available alternatives.
- d. **Overtime** -- It is Orrick's practice to allow professionals and paraprofessionals working more than 3 hours of overtime to charge a meal to the appropriate client at a meal charge limited to \$7.50 per professional. It is Orrick's practice to allow professionals and support staff to charge a car service or cab to the appropriate client when working at least 2 hours of overtime. Orrick endeavored not to incur overtime charges unless necessary to benefit the case and in certain exigent circumstances.
- e. **Computerized Research** -- It is Orrick's practice to use computer-assisted legal research when it is efficient to do so. The charge to clients for Lexis and Westlaw are based on retail rates that do not include non-client specific volume discounts offered to Orrick. Use of fee based internet research services other than Lexis and Westlaw is charged at Orrick's cost. There is no separate charge for other internet research.

Respectfully submitted,

ORRICK, HERRINGTON & SUTCLIFFE LLP

Dated: August 4, 2008

By: /S/ DEBRA L. FELDER

Roger Frankel, admitted *pro hac vice*
Richard H. Wyron, admitted *pro hac vice*
Debra L. Felder, admitted *pro hac vice*
Columbia Center
1152 15th Street, N.W.
Washington, DC 20005
(202) 339-8400

Co-Counsel to David T. Austern,
Future Claimants' Representative